

Chapter 4: Classification & Compensation

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Chapter 4: Classification and Compensation

■ Introduction

The 1993 civil service reform law (RCW 41.06.500) calls for a compensation system that provides “flexibility in setting and changing salaries.” The system must also be consistent with RCW 41.06.150 (17), which addresses the adoption of a salary schedule reflecting prevailing rates.

Within this framework, the Washington Management Service (WMS) compensation system was developed to meet the following goals:

- To provide agencies flexibility in determining and adjusting managers’ salaries.
- To ensure fair and consistent compensation practices throughout the Washington Management Service.
- To assist agencies’ need to keep overall cost of managers’ salaries within currently budgeted dollars.

To accomplish these goals, the Department of Personnel has provided an overall salary structure, classification system, and point factor assessment chart, plus guidelines and examples for determining and adjusting salaries. DOP will also provide consultation and assistance to agencies as needed and will track salary practices in order to provide information on the impact of the Washington Management Service implementation to the Governor and the Legislature.

Agencies will be responsible for setting internal policies for applying the guidelines and for using them to determine and adjust the salaries of individual employees and/or positions within the overall salary structure.

The compensation guidelines included in this chapter are meant to:

- Support agencies in the development and implementation of specific compensation policies and plans that meet their unique organizational needs.
- Assure policies and plans are consistent with WMS rules.
- Assure that specific provisions of policies and plans provide equitable and consistent outcomes to employees regardless of which agency is involved.
- Assure consistent application of salary administration practices throughout the WMS.
- Allow for quicker, more efficient and more customized responses by agencies to compensation, classification, and organizational problems or changes.

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Overview of WMS Compensation System

The Washington Management Service compensation system is based on a “broad banding” approach to job classification. Under this approach, all WMS positions are grouped into broad salary range categories, or management bands. Each band is composed of a salary minimum and maximum dollar level and a range of evaluated points. The exception is the MD band which has no evaluated points.

A position description and a job value assessment chart are utilized to arrive at a point value for each position. The point value then determines into which of four management bands a position is placed. The assessment chart measures three common and important dimensions of management work:

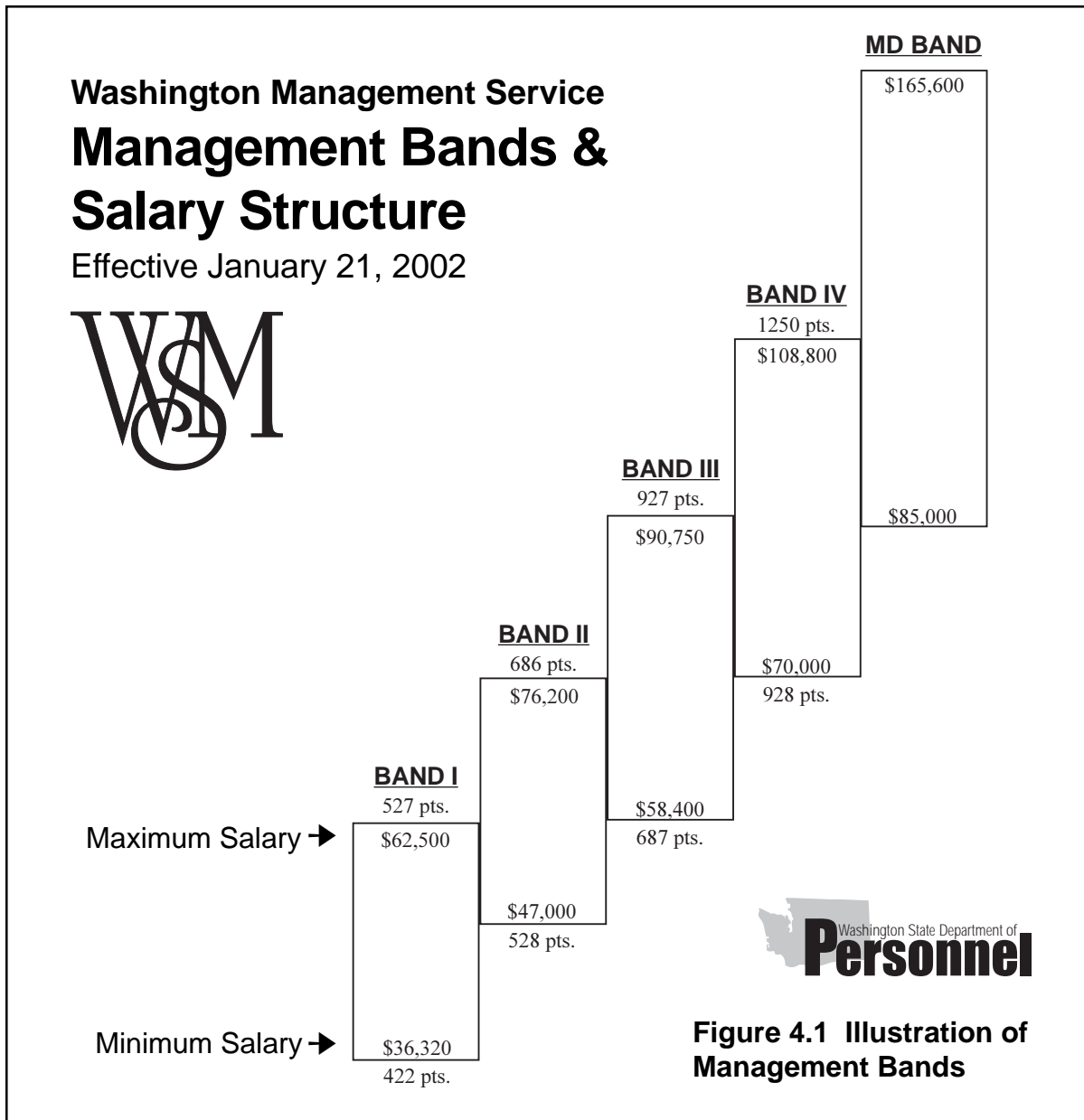
- Nature of management.
- Decision-making environment and policy impact.
- Scope of management accountability and control.

The chart on page 4-3 shows the point and dollar values associated with each management band. Each band encompasses a salary range of between 38 and 72 percent from minimum to maximum, with maximum differentials between bands ranging from 7 to 22 percent. The management band to which a position is assigned provides the minimum and maximum salary for that position. Within the salary limits of the band, agency policies and judgements will influence how the actual salary is determined for the employee and/or position. Salary determination guidelines begin on page 4-18 .

Under this system, individual salaries will be more directly related to the actual work responsibilities, management skill requirements, and reporting accountability of a position, rather than using a generic job classification to determine a salary range. Agencies will also have flexibility to adjust salaries to reflect changes in the position’s responsibilities, to meet documented recruitment and/or retention problems, to resolve documented internal salary relationship problems, and to recognize an employee’s demonstrated growth and development.

Agencies also have the option of providing recognition compensation, in the form of lump sum pay, for exceptional work performance and achievement, as discussed beginning on page 4-31.

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This graph shows the point and dollar values attached to the four WMS management bands. Positions are placed into bands according to the points arrived at through the point factor evaluation process. The exception is the MD band which is available only for incumbents in positions requiring an MD (or equivalent) degree. Positions are allocated, and not evaluated to this band. There are no evaluation points assigned to it. Once a position is placed in a band, the minimum and maximum salary of that band determine the salary limits for the position. The large majority of currently identified WMS positions will be placed in Band I or II. The salary structure was developed to fully accommodate all WMS positions and also incorporate most exempt positions should they eventually be brought under the same compensation system.

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■ Management Band Characteristics

The following are general characteristics of positions in each management band. These are general characteristics only and should be considered as a reference guide, **not** as absolute and inflexible criteria required to be met in determining the proper band placement of a position.

Management Band Level I

- Essence of the job is management of resources (e.g., human resources, budget, physical resources).
- Requires knowledge and application of management principles. May also require application of technical subject matter expertise. Incumbent may still be developing professionally in each area.
- Management challenge is primarily tactical (short term, day-to-day) and task focused, with an appropriate knowledge/recognition of other organizations and their work.
- Results achieved from directing multiple resources.
- May manage supervisors or lead employees, but typically manages individual contributors at all levels of job responsibility.
- Has recognizable influence on policy, but policy making authority is typically limited to providing input.
- Compared to lower level supervisory position, has greater emphasis on determining work to be done. Includes some negotiation of goals and objectives and provides input on resources required.
- Increased emphasis on work planning, fiscal and budget accountability.
- Little to no emphasis required on longer term strategic thinking, planning, etc.

Management Band Level II

- The management challenge is primarily working with people, with appropriate integration or consideration of work in other organizations internal and external to that manager's work group.
- Typically, duties involve a continuous development of managerial knowledge and skills and some expertise in the subject-matter areas of the job scope.

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- Involves less day-to-day task oriented activities. The work scope requirement typically goes beyond the day-to-day issues and activities.
- Provides substantive input to major policy issues and decisions. With moderate influence (guidance, support) from higher level management, will determine some policy within the division or the agency, generally on issues of lower impact or scope.
- The management focus is primarily on tactical level issues/decisions/etc. with appropriate consideration of strategic implications.
- Negotiates the work unit's (size may vary) goals and objectives, providing input to next level manager on necessary resources, trade-offs, etc. to accomplish the goals and objectives.

Management Band Level III

- May manage multiple organizations but more typically is responsible for an important business segment that carries significant impact to the department's overall client base, business function, or mission.
- Manages managers, supervisors and/or individual contributors.
- Senior level program/project manager with scope of responsibility of considerable significance to department.
- Management focus balanced between strategic and tactical actions and considerations.
- May negotiate scope of organization's responsibilities and resources but typically negotiates annual goals and objectives and provides input to organization's responsibilities/resources.
- Effectively recommends changes to organization's policies; has some leeway of policy-making authority affecting process or methodology but typically not content or impact.
- The primary challenge is to balance effort and attention between the organization's mission and its employees' responsibilities and requirements.

Management Band Level IV

- Requires professional mastery (breadth/depth) of job specific and/or managerial responsibilities.
- Scope of authority and impact encompasses entire department with significant impact both from within and outside of state government.

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- The primary challenge typically encompasses the management and integration of multiple organizations in similar professional fields but having different program or functional aspects.
- Organization's functional responsibilities considered a significant component of department's mission.
- Member of top executive staff and/or the senior policy making group of the department.
- Responsibility and accountability focused primarily at strategic level with appropriate tactical overview.
- Manages managers and senior-level policy research and development professionals.
- Focus is primarily strategic business management (policy making, budgeting, staffing and resources allocation, etc.) with occasional demands for high levels of individual technical output.
- Negotiates scope of entire organization's responsibilities, resources, goals, and objectives.

MD Band

- Available only to employees whose position requires an MD or equivalent degree (e.g., DDS, ND, etc.)
- A Ph.D is not a qualifying degree requirement.
- Assignment is by allocation only. There is no range of evaluated points for this band.

Note: Many exempt management positions will also possess the same position characteristics of WMS band levels I–IV. The difference between these management positions is not their management characteristics, but their specific or separate statute for exemption. Most assistant directors or division directors, if not exempt, would probably fit into either Band III or IV.

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■ Agency Policies

In developing internal policies for WMS classification and compensation administration, agencies will need to strike a balance among several broad principles:

- Delegating responsibility and accountability for making compensation decisions to the lowest possible level within the organization.
- Ensuring fair and equitable treatment of all employees.
- Effectively managing budget dollars available for management salaries.

It is up to each agency to determine which compensation issues will be covered by internal agency policies. The following discussion is provided to generate ideas and suggest some areas where agencies may wish to consider developing policies.

DOP staff are available to provide consultation and assistance in preparing compensation policies.

Position Descriptions and Point Value Assessments

What process will be used for completing position descriptions and conducting the point factor evaluations? There are a number of options agencies might choose for evaluating and assigning points to WMS positions using the Job Value Assessment Chart and process:

- **Committee**

A management/executive staff person might chair a committee composed of the HR manager, selected agency managers from the divisions, and representatives from the agency personnel operation. The Department of Personnel analyst assigned to an agency might be valuable as either a member of, or advisor to, the committee.

The committee should strive for regional and diversity balance. The size of the committee may vary from agency to agency, but should probably not exceed ten members. To ensure consistency of system application throughout state government, DOP will provide training to trainers of committee members.

The committee's evaluations may be recommended to the agency management team, which would then review the evaluations across divisions. While change is unlikely, requirements for internal alignment or comparison with other jobs may compel it.

- **Human Resource Manager**

The HR manager might be assigned responsibility to evaluate each position and prepare a preliminary evaluation independently. An internal re-

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view would be done by representatives of the executive management team before the evaluation is finalized. This would facilitate input and consistency across organizational lines. A review of the evaluation by an agency's DOP analyst may help to provide consistency across agency lines.

- **Human Resource Committee**

Agencies may choose to use a committee chaired by the agency HR manager (or designee), with membership composed of the personnel officers from major divisions. Here again, the agency DOP analyst could participate to assist the agency and to assure consistency throughout state government. A personnel representative from a related agency may also be added to the committee to provide additional perspective.

The committee's evaluations may be recommended to the agency management team, which would then review the evaluations across divisions.

Position Reevaluation

Reevaluation of a position may not be necessary or appropriate for every slight change in a position's responsibilities. Agency policies should determine when a change is significant enough to warrant conducting a reevaluation of the position.

Unless otherwise stated in agency policy, reevaluation may be requested by:

- The agency (i.e., the director or the human resources manager).
- The employee.
- The employee's supervisor.
- DOP (only when an evaluation appears to be inconsistent).

Rationale for reevaluation requests may include, but are not limited to:

- Significant change in duties and responsibilities.
- Change in reporting relationship.
- New program/monies assigned to manager's area.
- Down-sizing, budget cuts.
- Reorganization/realignment.

Questions to ask concerning the reevaluation process:

- How will the reevaluation be conducted? By whom? Will the same process be used as was used for the initial job value assessment?

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- Once a reevaluation has been conducted and the point value has increased, how will the amount of the salary adjustment be determined?
- Will the supervisor be responsible for recommending the salary adjustment? What approval process, if any, is needed?

Salary Determinations and Adjustments

Within the band structure and guidelines provided by the Department of Personnel, agencies have flexibility for determining the specific salary for a position. Some possible questions to consider in devising policies include:

- What is the agency's philosophy on salary adjustments?
- What approach will the agency use for recommendation and approval of the salary amount?
- What coordination or oversight is needed to maintain equity across units and divisions within the agency?
- How will determination of WMS salaries fit into the agency's budget process and management philosophy?
- How should salaries be monitored on an agency-wide basis, i.e., spot check, detailed review, pre-approval process, etc.?
- What documentation will the agency need on salary determinations and adjustments?

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Initial Implementation

Transition of incumbents to the WMS Compensation System

Employees will enter the WMS at their current salary. All positions will be placed into a transition category called WMS00. This code (WMS00) is programmed into the personnel/payroll system as the holding category until a point factor evaluation is completed on each position. As positions are evaluated, they will be moved into one of the four management bands and given the corresponding personnel/payroll code:

Band I	WMS01
Band II	WMS02
Band III	WMS03
Band IV	WMS04
MD Band	WMS05

Example: *John S. is in position number 2234 in Department XYZ. His current class is Management Accountant, class code 05999. His salary is \$3,566 per month. When John is transitioned into the WMS, everything remains the same, except his class code changes to WMS00 until his agency has evaluated all its WMS positions. Several months later, the agency completes all of its evaluations and John's position is evaluated at 546 points. He is then placed into Band II and given the personnel/payroll code WMS02.*

To facilitate the transition to the new compensation system, it is recommended that employees remain at their current salary level (except for periodic increments, if any) for the first six months after conversion to the WMS, or until after all WMS positions in an agency have been evaluated using the point-factor assessment chart. Vacant positions will need to be “priced” prior to or during the hiring process.

Increment or “Step” Increases

Employees whose positions are included initially or at a later date in the WMS, who are on salary steps below Step K, will continue to receive an annual Periodic Increment Date (PID) increase. If their salary is adjusted to an amount equal to or higher than their Step K rate, they are no longer eligible for step increases.

Example: *Carol M. works for ABC Agency. She is currently at Step I of Range 52, with an annual salary of \$41,460. Step K is \$43,572. Her salary is adjusted to \$44,000/yr. Since that rate is higher than Step K, she is no longer eligible for a step increase.*

Chapter 4: Classification and Compensation**Position Evaluations**

Each WMS position will be evaluated using the WMS Managerial Job Value Assessment Chart. To aid the establishment of the WMS process and associated procedures within each agency, it is recommended that, during the six months following the initial evaluations, reevaluations should be undertaken only on an exceptional basis, with the approval of the agency director or human resources manager.

Salary Issues (Anomalies) from the Conversion Process

As positions are converted to the WMS compensation system, some anomalies will become apparent. These are cases where the current salary of the position does not fit within the management band determined by the point factor evaluation.

Positions that have salary amounts above the maximum salary of the band should be “frozen, red-circled, Y-rated”, etc. until the maximum salary of the band exceeds the position’s salary, the incumbent leaves the position, or a later point factor assessment places the position in a higher band. The incumbent’s salary may not be reduced to fit in the lower band, as RCW 41.06.500 specifically states that WMS employees may not be reduced except for cause.

Example: *At the time of transition to the WMS, Sam W. is receiving an annual salary of \$53,000. When the point factor assessment is completed, his position receives 516 points. This places his position in Band I. His salary is above the maximum for the band (which is \$52,000). His salary would therefore be frozen at \$53,000.*

The dollar values attached to the bands will change over time, due to general structure increases, so at some point in the future his salary would fall within Band I and he would be eligible for increases up to the new band level maximum. Or, his duties and responsibilities may change sufficiently to give his position a higher point value that fits within Band II and his salary could be reviewed and adjusted if appropriate.

If a position’s salary is below the band level minimum, the salary should be increased to, at least, the minimum of the band within one year of implementation. If an agency’s fiscal situation makes this difficult to achieve, DOP staff will work with the agency to develop a solution.

Example: *Hank L. has an annual salary of \$52,000, which places him in Band II. His position is evaluated at 724 points, which is in Band III. His salary should be increased to \$54,000—the bottom limit for Band III—within one year of the agency’s implementation of that evaluation.*

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Promotions and Hires During the Transition Period

Promotions and new hires will continue to take place during the transition period. When filling a position that has not been evaluated and, therefore, is in the transition category (WMS00), the agency could take a couple of approaches for determining the salary:

- 1) Hold off on filling the position until the point factor evaluation is completed and the position is placed in a band, then follow the salary determination guidelines beginning on page 4-18.
- 2) Leave the position in the transition category, and consider both the relevant guidelines and pertinent historical data, such as salary ranges, reporting relationships, management level, etc.

Information System Adjustments

The central personnel/payroll system has been modified to allow agencies to enter certain information to identify WMS employees and positions. There will not be any automatic system conversions, as each agency needs to evaluate its positions and determine which will be included in the WMS.

The following is a brief description of the initial system changes.

B.03 Class Screen changes:

- Accepts class codes of WMS00 through WMS04.
- Accepts full/short titles for WMS classifications.
- Range code will not be entered on classification screen.

B.21 Position Screen changes:

- Accepts class codes of WMS00 through WMS04.
- Range code field will not be required for WMS classifications.

A.02 Appointment Screen changes:

- Adds a new field for “working title” to describe the position.
- Accepts class codes of WMS00 through WMS04.
- Accepts old range and step to allow the PID process to continue to notify agencies when a possible salary and step increase is due.
- Allows salary from the minimum through the maximum salary range of the band.

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- Changes the PID process to notify agencies to review if a periodic increment is needed. Agencies will be required to change salary, range, and step as needed.
- Adds action codes and appointment status codes for WMS acting appointments.
- Establishes additional action codes for transition into WMS and additional salary adjustment conditions.
- Adds a new pay rate exception code “W” to allow a salary outside the minimum and maximum salary range of the band for certain conditions.
- Adds special pay codes to identify managers receiving assignment pay; this may be needed in the future to determine the base salary for reporting purposes.

A.73 Allowance for “lump sum” payments:

- The current payroll “allowance” table screen will be used to identify recognition pay; certain allowance codes will be established for these purposes.
- Any recognition pay will need to be entered on the A.73 allowance screen using the appropriate code.

Further system changes will be completed in time for full implementation of the WMS. Agency reporting requirements will also be determined and reports developed before full implementation. Detailed information will be sent to agencies as changes are made.

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Position Descriptions and Point Value Assessments

Positions in the WMS are evaluated individually, using the Management Position Description form and Managerial Job Value Assessment Chart provided by the Department of Personnel. Following are some general guidelines for completing the description form, using the assessment chart, and determining the position's band level and subsequent salary amount. Specific information relating to the use and interpretation of the Job Value Assessment Chart is found in the "Job Evaluation Handbook." A current copy of this handbook is available from the Department of Personnel.

Management Position Description

The Management Position Description form (Figure 4.2, below, and Attachment 4-A) is the basis for evaluating the position and placing it in one of the four management bands. It is critical that this form provide a complete and accurate description of the position's duties and responsibilities and fully answers all questions. This form replaces the Classification Questionnaire (CQ) for WMS positions. The CQ will continue to be used in the General Service.

WASHINGTON MANAGEMENT SERVICE
MANAGEMENT POSITION DESCRIPTION 12/03/93

CURRENT DATE/LAST REVIEWED: _____

CLASS TITLE: _____
(Information needed for the initial conversion only.)

WORKING TITLE: _____

POSITION NO.: _____ AGENCY/DIVISION: _____

INCUMBENT'S NAME: _____

POSITION OBJECTIVE:
Discuss in one or two sentences what the position is required to accomplish. Include an organization chart. (Chart should include all units managed by your supervisor with salary grade/band and position number.)

KNOWLEDGE AND SKILLS REQUIRED:
Briefly explain the position's required knowledges and skills. (Asterisk the essential skills and abilities required.)

NATURE AND SCOPE:
Briefly explain position's policy impact (application, development, implementation responsibility).

Briefly explain the major decision-making responsibilities brought to you for action. Also identify those actions that you take to your manager for a decision.

(OVER)

FINANCIAL DIMENSIONS:

—BUDGET
Briefly describe the type and annual amount of all monies that the position directly controls. Discuss other revenue sources managed by the position and what type of influence/impact it has over those sources.

A. Operating budget controlled:

B. Other financial influences/impact:

—POSITIONS
List total FTE's you manage and highest class/position managed.

PRINCIPAL RESPONSIBILITIES:
Briefly describe the significant responsibilities of this position (maximum of 10 statements) not including the management responsibility statement* that is provided.

*Plan, lead, organize, and control the work performed by the organization. Assure appropriate and optimum use of the organization's resources and enhance the effectiveness of employees through timely appraisal and professional development opportunities. Support effective communications throughout the organization. Maintain the highest standards of personal/professional and ethical conduct and support the State's goals for a diverse workforce.

Signature of Incumbent _____ Management Signature _____

Telephone No.: _____ Title: _____

EVALUATED POINTS/BAND LEVEL: _____
(To be filled out by Human Resource Unit)

Figure 4.2 Management Position Description Form
(for full size copy, see Attachment 4-A)

Figure 4.3 Managerial Job Value Assessment Chart
(for larger copy, see Attachment 4-D)

- Position Objective
- Knowledge and Skills Required
- Nature and Scope
- Financial Dimensions
- Principal Responsibilities

Managerial Job Value Assessment Chart and Band Placement

Depending on the approach set forth in agency policy, a designated individual or committee will evaluate the position, determine its point value, and place the position into

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the management band corresponding to this point value. (See page 4-3 for a chart showing the point values corresponding to the four management bands.)

To use the chart, the evaluator begins with an assessment of the position's nature of management (1) on the left column of the chart. The evaluator then assesses the position's decision-making environment and policy impact (2), reading across the assessment chart. The last element considered is the scope of management accountability and control (3) at the bottom of the chart. The evaluator determines the single point value (4) that corresponds to the three selected criteria statements. This value determines the position's management band.

Example: *Kim D. completes a position description, which is then approved by her supervisor. Per the agency's policy, the position description then goes to the agency's standing compensation committee, which will conduct the position evaluation. After carefully evaluating Kim's position, the committee members determine that the nature of management is B, the decision making environment and policy impact is a 3, and the scope of management responsibility is X. This combination of B3X corresponds to 586 points (4). This point value places Kim's position in Band II, with a salary range of \$42,000–\$64,500.*

In the example above, the 586 points are referred to as the position's **evaluated points** and B3X-586 as its **profile**. Some agencies may want an executive management review of the evaluation before sharing it with the employee(s).

Anchor Positions

There are two types of anchor positions that will aide managers in the evaluation process for the WMS. These anchor positions are to be used as reference points in the overall placement of positions in the WMS. The two categories are:

- Generic type anchor positions – These are functions that have historically been classified the same from one agency to another. Examples might be:
 - Accounting Manager 2, class code 13640
 - Personnel Manager 3, class code 19680
 - Information Technology Manager 3, class code 03252
- Agency unique type anchor positions – These are functions that are typically used only in one agency and were specifically established to support the unique mission of the agency. Examples are:
 - Job Service Manager 2, class code 30520 in the Department of Employment Security

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- Support Enforcement Program Administrator 4, class code 46732 in the Department of Social and Health Services
- Revenue Compliance Program Manager, class code 15200 in the Department of Revenue

Anchor positions will be further identified as more experience is gained using the point factor evaluation chart and will be documented in the Evaluation Handbook, which will be provided as part of the training described below.

These anchor positions will be used as reference points for managers and agency personnel officials. These historical evaluations should give managers a sense of perspective and an idea of where a position may fit in comparison to existing evaluations.

DOP Assistance

The Department of Personnel will provide training that will assist managers in writing and/or reviewing position descriptions, using the point factor evaluation chart and developing sound compensation policy. DOP staff are available to assist or consult with agencies as requested. DOP is developing, with HRISD support, a number of ad hoc reports providing information for response to legislative/executive questions on WMS implementation.

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■ Base Salary Determinations

Guidelines on establishing a salary standard, range of consideration, and individual salary determinations are intended to assist agency management in taking appropriate and consistent action with respect to salary administration. They should not be taken as absolutes, but rather as a framework for decisions. Deviations from these salary administration guidelines will occur. Such deviations should be carefully considered and should be based on demonstrated needs relevant to the agency and the individual position.

Salary Standard (Also called Position Salary, Salary Level, etc.)

The establishment of an appropriate salary standard for a position is an important first step in establishing the salary amount for an employee. Establishing an appropriate salary amount is a moving and dynamic target and should not be considered fixed or inflexible.

The salary standard(s) should be viewed as the pay rate an agency would pay a fully qualified and experienced (for the position) employee, sort of analogous to the Step K rate in the general government structure. Salary standards can be established for an entire group of positions and/or for individual positions typically all within the same evaluated point value.

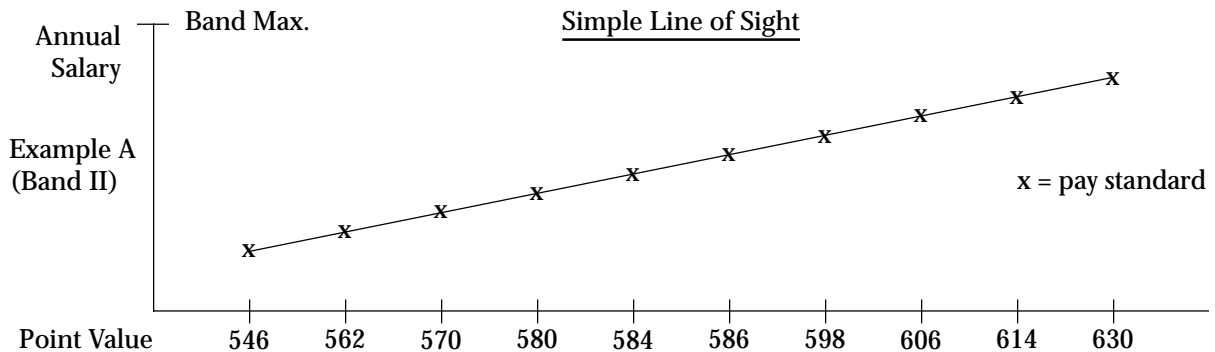
There are several methods an agency may use to establish a salary standard. The simple method is to select a salary level that best represents the rate of pay of all or most positions in the same point value. The most appropriate salary level or pay rate and subsequent data point in each point value can be determined by: 1) using the mean, median, or mode of all the current salaries; 2) choosing the highest salary level identified or; 3) the salary level desired by the agency. The important consideration is that an agency use consistent rationale in its determinations.

The simple method works well when an agency has only a few positions in the WMS. Agencies with many WMS positions distributed throughout the bands and point values may wish to establish a pay line to determine salary standards. A pay line is a graphical presentation of pay standards at each point value. The value of using a pay line approach lies in: 1) showing employees that each higher point value has a higher pay standard; 2) using pay standards as reference points for point values not yet used by the agency; 3) developing pay comparisons statewide and within agencies between positions in the same point value, and; (4) developing a tool to manage salary growth and individual pay determinations within a band.

Pay standards using a pay line approach can be determined in one of two ways. The line of sight method calls for drawing a line through a field of current salaries at each point value (Example A). The objective is to create a best fit relationship between the various salary levels identified. To establish the line for least squares calculation, contact the

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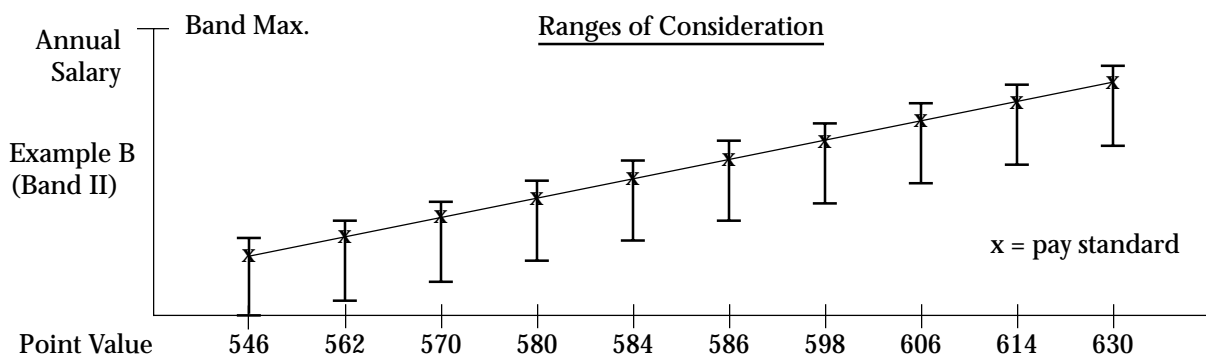
Department of Personnel State Compensation Office for examples and support. In either case, the X (point level) and Y (annual salary) intercepts represent the pay standard for each point value. An agency may wish to work with several different methods before selecting one that meets its needs. Alterations to the height and slope of the line may be done to best accommodate an agency's current salaries and related internal pay relationships.



When using the pay line approach, be sure to assess the pay standard relationships created to the pay rates of exempt management, not in the WMS. Also compare pay standards between bands to assure proper salary level relationships.

Range of Consideration

The range of consideration is a range of salary typically above and below the salary standard which an agency uses to determine individual salary placement. (Example B) A typical range of salary is 5% above the pay standard and 20% below. Each agency will choose its own range parameters to fit its particular needs. This "range" helps agencies to identify and remain consistent with individual pay determinations of employees/new hires who may be less than fully experienced for the job or whom an agency may need to pay more due to the labor market. The range of consideration should be viewed as a



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tool to manage salaries. It is **not** a separate pay range within the band. The salary standards will typically change as adjustments to the bands or general increases from the Legislature are granted. Agencies should be flexible in their practice to pay outside the range of consideration. It is important, however, that agencies develop criteria for decision-making to assure guideline and practices are applied consistently.

Depending on the proximity of the salary standard to the band minimum and maximum, the range of consideration may vary slightly, particularly at the lower and higher point values.

Individual Pay Determinations – General Guidelines

The salary standard for the open position provides a reference point for determining an employee's salary or the salary offered to a job applicant. Once determined, there are other pertinent factors to be considered:

- The point value of the position related to like or similar positions in the organization. (While the point values do not correspond to specific salaries, an agency may wish to work towards, over time, a correlation between point values and salaries.)
- The current salary of the incumbent/applicant, or, for a vacant position, the salary of the last incumbent.
- The total amount of salary increase(s) received by the employee during the fiscal year.
- Salaries of other employees in the agency with like or similar experience, skills, and responsibilities.
- For employees who have been transitioned into the WMS, the general service salary range of the employee's current position if not at Step K.
- Recruitment and retention needs (see section under Salary Adjustments, page 4-26).
- Market conditions.
- Internal alignments (i.e., the affect that this position's salary may have on other positions and/or individuals.)
- Experience and skill level of the employee or applicant being considered. (Consider the potential for future growth and leave room to acknowledge such growth with progression adjustments and supervisors/managers of the position.)
- Impact on agency and program budgets.

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DOP compensation staff are available to provide consultation and assistance and/or to review salary determination decisions as requested. To request such assistance, each agency should contact its assigned compensation analyst.

Example: *Position 4445 in Department WZX is vacant due to a retirement and needs to be filled. What salary should be paid?*

Step 1: *Identify the existing information available for decision making:*

Last incumbent's salary = \$4,100 per month.

Point value assessed for this position = B2X –546 points, which places the position in Band II.

Band II salary minimum = \$3,500 per month.

Band II salary maximum = \$5,375 per month.

Step 2: *Look at the point values of like or similar positions in the organization and experienced incumbent salaries:*

Position A	B2W – 546 points	Band II	\$3,710 current salary
Position B	B2Y – 598 points	Band II	\$3,500 current salary
Position C	C2Y – 796 points	Band III	\$4,640 current salary
Position D	B2X – 570 points	Band I	\$3,790 current salary

Delete Position C from consideration, because it has a much broader program requiring significantly more management skills and organization resources to manage compared to this vacant position and the other three peer positions.

Step 3: *Look at the experience, knowledge, and qualifications each incumbent has in the profession and in the organization.*

Step 4: *Compare the pool of candidates that have applied for the position against the general criteria in Step 3.*

The candidate pool had 15 senior specialists from within the organization and 10 senior professionals from other government and private organizations.

Step 5: *Select the top candidates from the applicant pool and interview:*

1. *Joe W., agency promotional, currently at \$3,420.*
2. *Beth J., agency promotional, currently at \$3,300.*
3. *Max R., private company, currently at \$3,400.*
4. *Pete C., promotional from another agency, currently at \$3,110.*

All candidates have equivalent experience and skills.

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Analysis: Based on the general guidelines for the WMS, related positions in the organization, management's evaluation of the position, the candidate pool available, and the salary of the retired incumbent, it was determined that a salary of \$3,600 would be appropriate.

Beth was selected as the top candidate. She was offered and accepted a salary of \$3,630, which reflected an increase of 10% over her current salary. This amount fit well with the experience Beth brings to the job and would fit well with the salary and experience level of her peers. It also allows for possible future progression adjustments.

Other Important Considerations

Managers should carefully consider the impacts of their decisions and be alert to certain problems that might be encountered. Some examples:

- Peer pressure for equal treatment regardless of rationale, especially in terms of salary.
- Morale problems with other managers.
- Domino affect of taking one action that requires many more be taken to catch up.
- The appearance of "salary and/or band creep."
- Future cost impact (bow wave) of salary changes.

There may be a desire to provide adjustments to positions which have historically been significantly behind the private sector. Since the Legislature authorizes general salary increases as a result of salary surveys, this criterion should not be considered as a rationale to increase salaries. Market/prevaling rate comparisons are factors to consider when there are recruitment and retention problems, but authority to grant salary increases to implement salary survey recommendations is the responsibility of the Legislature.

Recognizing that no additional dollars will be available for implementation of WMS salary adjustments, agency compensation policies should be implemented cautiously with any salary increases judiciously applied using objective, defensible criteria.

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■ Salary Adjustments

WAC 356-56-115 outlines conditions under which salary adjustments may be made. Salary adjustments may not exceed 10% for any 12-month fiscal year period. Excluded from the 10% limit are **increases associated with transfer into WMS, annual periodic increments, legislature-approved increases, movement of an employee's salary to the minimum of the band, and promotional increases**. The Director of the Department of Personnel may grant exceptions to this 10% limit.

Additionally, salary changes greater than 5% proposed for any group of employees also require the approval of the Director of Personnel.

Promotions

Promotion is defined in WAC 356-56-115 (3) additional responsibilities resulting in a greater number of points assigned the same position, movement to a different position with a higher point value, or higher salary standard. Adjustments in salary may be made to recognize the higher point value and may exceed 10%.

A promotional increase will typically range from 2.5% to 10% or to the band level minimum if the employee's new position is in a higher management band.

It should be the goal of each agency to administer promotions fairly and consistently. Increases should occur as soon as possible after the employee is performing the new work. Some factors to keep in mind when determining the promotional salary increase include:




- The extent of point value increase from previous position or responsibilities.
- Change in management level (reporting relationship).
- Timing since last increase (promotion or other type adjustment, other than a general increase).
- Salary(ies) of peer group and/or similar positions.
- Salary limits of the position's band.
- Agency budget.
- The band level minimum and maximum.

Agencies using the above criteria may want to develop guidelines around the type of promotion as well.

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PROMOTION TIER APPROACH

Example:

Tier Type	Percentage Range of Promotion Adjustment
I Most Significant <ul style="list-style-type: none"> ▪ Manager to higher management reporting level ▪ Nonmanagement to manager ▪ Promotion into WMS ▪ Point value increase > 4 levels 	 9 - 15%
II Significant <ul style="list-style-type: none"> ▪ Manager to manager ▪ Point value increase > 2 and < 4 levels 	 6 - 12%
III Recognized <ul style="list-style-type: none"> ▪ In position point value increase ▪ Point value increase < 2 levels 	 2.5* - 8%

* In example, agency has established 2.5% or band max., whichever is less as promotion threshold.

Demotions

Per WAC 356-56-115 (5), an employee's salary cannot be reduced if a lower point value results from a reassignment of duties, unless the reassignment of duties was part of a disciplinary action or as agreed to by the employee (i.e., a voluntary demotion). Instead, the employee's salary is retained at its present level and frozen until the band maximum exceeds that salary and the agency acts to change it.

Demotions resulting from disciplinary action or voluntary demotion will cause a salary reduction which reflects the new assignment as well as the following considerations:

- The nature of the disciplinary action.
- The employee's current salary and peer relationships.
- The employee's new position, band level, and evaluated points.
- Longevity of employee overall and in previous position before demotion.

Periodic Increments or Step Increases

See page 4-10.

Chapter 4: Classification and Compensation**Movement to Band Minimum**

Employees initially transitioned or later transferred into the WMS should be brought at least to the minimum salary of their band within one year of the transition. Employees promoted to a higher band must be brought to the band minimum at the time of promotion; this also applies to new hires.

Legislature-Approved Increases

Periodically, the Legislature approves a general increase amount that applies to all state employees, excepting typically those whose present salary is over the range maximum for their grade (general government) or band level (WMS). The language in the budget is used to determine how increases will be implemented.

Recruitment and/or Retention Adjustments

Recruitment and/or retention problems may warrant a salary adjustment. Documentation of the problem should be provided to the agency director or designee for this type of adjustment. Documentation should address both internal and external markets. Depending on market conditions, and average paid rate, the agency may typically adjust the salary by up to 10 percent. The unique nature of the position and its essential or critical impact on the organization are factors to consider in determining the amount of the adjustment. Managers should be cautioned about the potential “ripple effect” an exceptional salary adjustment may cause.

Salary adjustments to address recruitment and retention problems should be well documented and carefully considered so there is not a “chain reaction” of additional adjustments made necessary by the original action. Difficulty in recruiting or retaining an individual into a management position should not be the sole rationale for considering a salary adjustment. Additional factors to consider include:

- Effect of job vacancy or higher turnover on program performance, service continuity, client risk, or continuation of program funding.
- Duration of vacancy and outcome of advertising efforts.
- Allowance for specific location or relocation expenses required.

Supporting rationale might consist of a documented inability to attract qualified applicants at a specific salary or a significantly higher turnover rate than is experienced in the rest of the agency’s workforce.

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Example: Setting salary for position with recruitment and retention problems:

Position #7622 in Department QRX has become vacant. It is an acoustical engineering manager. The position manages a highly technical unit of professional engineers and scientists in the department.

Two years ago when the position was last filled it was difficult to find a qualified manager. Not only does the position require some management skills and abilities, it also, by federal guidelines, requires certification as a registered acoustical engineer.

Based on the documentation of the previous recruitment effort, a targeted recruitment effort was started, including a notice in regional and national professional journals.

The position is in Band II, with a profile of B3X-586. The salary range for Band II is from \$3,500 minimum to \$5,375 maximum.

The previous incumbent was paid \$4,199 per month. Four peer positions, general engineer certified, are currently paid an average of \$3,900 per month.

After a two month recruitment and selection process, only three qualified candidates indicated interest.

Analysis: *Management knew it had to pay near the maximum to be able to hire a qualified candidate.*

After negotiations with the first candidate collapsed, the second candidate accepted the job at \$4,600 per month. This was about 10% above the rate of the previous incumbent. It also left some room within the band range for growth and development adjustments.

Salary Alignment Adjustments

Adjustments may be needed to alleviate internal salary alignment issues. Such adjustments should be appropriately documented and approved by the agency director or designee. The DOP analyst assigned to an agency and the staff of the state compensation office are available to provide assistance and consultation on internal and statewide salary alignment issues.

Some examples of alignment problems include inversion and severe compression, such as when an employee's salary is greater than or nearly the same as the supervisor's salary. No supervisory ratio (percentage of supervisor's salary over highest paid employee) is prescribed in the state's compensation plan, but a salary differential of 7.5% would normally be acceptable.

Chapter 4: Classification and Compensation**Progression Adjustments**

These adjustments under the WMS are intended to be used by management for the following reasons:

Motivate and Recognize Professional Growth Development

- Obtain and utilize a job or career related degree, license, certification or professional designation.
- Broaden and/or add depth to current skills/knowledges that improve employee's ability to perform the work or increases productivity.
- Acquire and utilize new skills/knowledges that further enhance employee's ability and better prepare him/her for promotion and continued career growth.
- Broaden sphere of influence or increase one's role with management, customers, or constituents increasing personal effectiveness, credibility, sales, revenue, etc.

Reward Achievement of Specific Job Growth & Professional Development Objectives

- Specifically identified knowledges and/or skills required to enhance present job performance and/or promotion and career opportunities.

Recognize and Reward Ongoing Job Growth

- Learning and expertly applying required job skills, knowledges, etc. (climbing the job's learning curve).

Place Employee's Current Salary Within, or Closer to, Range of Consideration (ROC)

- Lower paid employees receiving significant promotions may result in salary placement below position's ROC. This may be appropriate for inexperienced employees or those new to WMS. There is **no** requirement to bring salary immediately to the ROC minimum. It can be done on a planned basis.

Progression adjustments are **not** intended to:

- Be used as an automatic or entitlement increase
- Be given as supplement to a general increase
- Act as a merit-based pay for performance increase

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- Be given as a reward for longevity
- Be used to correct internal equity or salary alignment problems

General guidance on the recommended amount of adjustment include:

- Individual increases up to 5%/year; 20% during tenure in position.
- Increases count against the 10% annual salary increase threshold, above which requires DOP Director approval.
- The actual amount planned should consider...
 - ✓ Significance and/or value of objective(s) to individual or organization
 - ✓ Degree of difficulty of objective(s)
 - ✓ Relationship or position of employee's current salary to salary standard or band maximum
 - ✓ Amount and timing since last salary increase
 - ✓ Peer salary relationships
 - ✓ Budget and/or organization environment
- Generally, the more significant the objective(s) and the further the employee's salary is from the salary standard, the greater the planned increase percentage.
- The amount, up to 5%, and timing of adjustment may vary based on the circumstances of the employee's growth/development plan.

It is up to each agency to develop consistent, equitable criteria from these guidelines. Agencies should also consider the need for the level and type of documentation supporting decisions to grant, limit, or withhold growth and development adjustments.

It is recommended that a formal approach using the MDPP occur when:

- Specific objective(s), expected results, and status reviews are a critical aspect of the evaluation criteria
- Increasing job responsibilities require new/enhanced skills and/or knowledges
- The employee is near, at, or above the position's salary standard
- The employees are required to obtain extensive training and/or certification for their current job

Chapter 4: Classification and Compensation**Examples of an informal approach would be:**

- Using a letter of understanding or accomplishing with the budget process may be more appropriate under these circumstances
- General growth/development is required over time to reach the salary standard, or
- Employee's current salary is below the range of consideration for their position, if one has been established.

Agencies should also consider the development of the incumbent overall, both prior to WMS and after. Incumbents who had already achieved step K prior to WMS and whose positions continue to do the same work may not "grow and develop" any further.

Example:

Bruce W. is hired as Personnel Manager in 1998, some four years after the WMS implementation.

Background information:

- *Bruce was a Personnel Officer I making \$30,396 annually, \$2,533 monthly, for another organization.*
- *He was hired in as Personnel Manager at a salary of \$33,516 annually or \$2,793 per month.*
- *He was placed in Band I, which has a salary range from \$32,000 minimum to \$52,000 maximum.*

The supervisor felt that they may want to provide some progression pay in this case. The following factors were considered:

- 1. This was Bruce's first management level position.*
- 2. He had no previous supervisory experience or management training.*
- 3. The learning curve should be high.*
- 4. The management core training program is available.*
- 5. Bruce's productivity and contribution to the organization should increase dramatically during the first two years.*

The supervisor developed a two year training plan which was included in Bruce's Management Development and Performance Plan (MDPP). The development plan defined goals and expectations.

During the first two years, Bruce's performance was outstanding and his contributions to the organization developed rapidly.

Bruce received a 5% adjustment each year. (Total annual salary after two years = \$36,951.)

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The third year Bruce received a 2.5% adjustment to reflect a decreasing learning curve. By this time Bruce was performing well and at management's top expectations.

The supervisor did not grant any further progression increases based on a number of considerations:

- Current salary compared to peer positions in the organization.*
- Average salary of similar personnel managers in other organizations.*
- Completion of most of the growth and development expected.*
- Tight budget constraints.*
- Market available for individuals in the profession.*

However, the supervisor was considering a lump sum recognition award because of Bruce's significant contribution to the organization's objectives.

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■ Recognition Compensation

WAC 356-56-115(6) authorizes lump sum pay to individuals and/or teams in recognition of documented exceptional work performance and achievements. This recognition compensation does not become a permanent part of the employee's base salary.

Since this compensation is not part of the employee's base salary, the maximum salary limit of the band **does not** apply to such lump sum payments. However, lump sum payments **do** count towards the 10 percent annual limit on salary adjustments.

Significant accomplishments often involve the efforts of many employees. The use of recognition compensation to motivate and reward team efforts is highly encouraged. The following are some thoughts to keep in mind when establishing and implementing team-based awards:

- Define the types of teams involved.
- Involve managers and WMS employees in design and implementation.
- Emphasize objective benchmarks for performance measures such as financials, timeliness, and milestones.
- Measure performance on a team basis.
- Target cash awards as part of total compensation.
- Distribution of awards should not require approval of each team member's manager.

Following these ideas will increase the effectiveness of the awards process. Attachment 4-G provides an example of a team-based award writeup.

For more information on team-based pay, call the state compensation office in the Department of Personnel for assistance.

Recognition Criteria

Lump sum recognition pay is meant to acknowledge exceptional performance results, and/or achievements above and beyond the normal accomplishment expectations of the position.

Types of performance that might be recognized in this way include:

- Exceptionally high level of performance or achievement over the course of a year or a highly intense project period.
- Performance which results in significant enhancement of client services, agency products, or mission.

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- Contributions which result in substantial cost savings to the agency or increased revenues for the state.
- Exceptional effort and/or demonstrated efficiencies that lead to significant productivity improvements and/or measurable increases in the organization's output.
- Development of a technical advancement or operational breakthrough which results in greater efficiency, increased productivity, staff reduction, and/or cost savings.

Agencies may choose to use some or all of the above criteria, or they may develop their own criteria that best fits their requirements.

Example: *Joe M. was assigned a major project with the expectation that it would be completed in six months. This expectation was documented in Joe's MDPP, along with an understanding that Joe would be considered for a recognition payment if he was able to complete the project in less than five months. Through exceptional effort, Joe was able to successfully complete the project in four months. As agreed, the supervisor nominated Joe for a lump sum recognition award, following guidelines set forth in the agency's recognition pay plan. Joe's nomination was considered along with several others, and he was awarded a lump sum payment of \$500. [Note that if Joe had completed the project successfully within the six months as originally planned, this would have been considered part of his expected work performance, and he would not have received a lump sum recognition award.]*

Agency Recognition Compensation Plan

Each agency providing lump sum recognition pay to its employees should have a formal recognition pay plan in place. Following are descriptions of the recommended components of this plan:

A. Overall goal of the recognition plan and how it relates to the agency mission

This is a simple two to three sentence statement that provides the overall framework (what, who, why) of the recognition plan and its relationship to the agency mission. An agency, over time, may have several different kinds of plans and their basic difference and intent should be discernible from reading this statement.

B. Description, expectations, timing, and intent

This section provides more specific detail of what the plan features are. The important thing to remember is that the plan should be administered per its description. This makes the trade-off between too little and

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too much information an important consideration when developing the plan guidelines.

One timing factor to consider is a possible limit on how many times an employee may be considered for an award during a given time period. For example, maybe an employee would be eligible for nomination only once during any 12-month period.

Another important timing factor is the expected interval between recognition, achievement and reward. Some agencies, because of funding or other limitations, may need to delay awards until near the end of their fiscal year. In these cases there may be delays between acknowledgment and award. One possible approach would be to promptly acknowledge the achievement and also make the employee aware of their nomination for an award, with an understanding that the actual determination and/or payment of the award will not occur until a specified later date. The 12-month period for award eligibility should occur from the date of acknowledgment and not actual payment to help assure that the 12-month eligibility period timing and actual award presentation does not become an issue.

Another timing issue is whether the terms of the recognition awards will be agreed to in advance or decided after the accomplishment. For example, an agency may decide to establish expectations at the beginning of a project or review period as to what level of performance or achievement would qualify for recognition compensation. This approach is particularly effective with team awards and on projects where the end objectives (achievement, timing, cost, etc.) are clear and understood by the employee(s) and management at the beginning of the project or task.

C. Eligibility criteria

This area can be troublesome if not well defined. Full-time/part-time, payroll status, and WMS status should all be taken into account. For instance, how will the plan address a situation in which an employee is recognized for an award but changes status (e.g., terminates or moves to exempt or general service) before the lump sum payment is made?

The plan must be very specific in this area to avoid having to pay employees when it was not intended to do so. Most plans include permanent part-time employees but have a proviso that the employee be in the appropriate status (WMS) to receive the award. This feature supports the philosophy that recognition pay is not an entitlement, particularly in the case of an employee who terminates (for reasons other than retirement). The more open the eligibility criteria, typically, the greater the cost.

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D. Award criteria

This is another area where it's important to be specific. Recognition plans can adopt all, some, or none of the criteria examples listed on page 4-31, depending on each agency's need. The criteria should align with the stated intent of the plan and be relevant to the agency's business environment. The five that are listed as examples were written to be relevant to any agency. If multiple plans are developed, be careful that each has its own distinct criteria to avoid confusion regarding which plan an employee's performance/achievements are being measured against.

The most important factors in the development of award criteria are:

- Relevance to the agency's business environment.
- Simplicity.
- Reasonably—but not easily—achievable.
- Value added; value gained to the agency.

Recognition pay is not to be used to simply differentiate levels of performance (merit pay). There must be a demonstrated benefit to the agency beyond the **expected** level of performance.

- Ability to be identified and utilized consistently within the sponsoring agency or division.

E. Award amounts, limits, and/or methods for dividing available dollars among eligible recipients

This is a very sensitive part of the overall plan. Both the range of available dollars and the specific amount awarded need to be simple enough so that management and employees will understand why a certain amount was given and to reasonably assure consistency and relevance of achievement to dollars awarded. It is also important that, within reason, agencies are consistent in both the range and awarded dollars.

One suggested approach is to provide an award range from \$200 – \$500, with guidance as to what level or type of achievement, for example, justifies a \$200 or \$300 or \$500 award amount. Award amounts should vary by recognizable differences in achievement level to strengthen the notion of “recognition” over merit for all. Also, award ranges and thus amounts may vary by the type of recognition plan and the award criteria difficulty.

Award amounts and ranges should be expressed and given in total dollar amounts, not percentage of pay. The award amount given should reflect the actual achievement and be consistent as opposed to being a factor of

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an employee's base salary. Percentage payouts make plan consistency very difficult and, studies show, have lower acceptability among recipients. It is best to be conservative going in to plan design because it is far easier to increase award ranges and amounts than to reduce them.

F. Approval process.

Approvals should include at least one management level above the sponsoring manager/supervisor and should include the agency director if the award bears the director's title.

G. Funding considerations and plan

Agencies will not receive additional monies to provide for lump sum recognition payments. To have money available, agencies will need to look at options such as holding positions vacant for a period of time to generate savings or filling WMS positions at a lower level when a position becomes vacant. A portion of these savings, as set forth in agency policy, may then be used for recognition compensation.

Savings generated in this way should not be wholly set aside for recognition payments. Agencies should establish a policy of using only a certain percentage of such savings in this way. The determination of an appropriate amount will depend on the size of the agency and the number of positions included in the Washington Management Service. Smaller agencies, with fewer WMS positions that seldom turn over, will likely establish the percentage at a higher amount, perhaps 75%–90%. Larger agencies, with more WMS positions which turn over with some frequency, will want to be more conservative, perhaps 30%–50%. The number of plans should also be considered. Agency budget staff should be consulted in determining the percentage to be made available for recognition payments.

DOP Assistance Available

The Department of Personnel compensation office is available to assist agencies with writing their recognition plan or to provide consultation on specific aspects of developing or administering the plan. The involvement of the Compensation staff from DOP will provide an objective outside opinion of the agency's plan.

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■ WMS Salary Structure and Surveying

The WMS salary structure for each band is defined by a minimum and maximum salary. The initial structure (page 4-3) is largely a reflection of the state's current pay ranges, with accommodation for wider ranges and actual placement of evaluated positions. Through salary survey recommendations, over time, the structure is intended to better reflect the competitive market and prevailing rates for WMS positions and have a higher correlation of evaluated points to salary. In every even numbered year DOP, with agency assistance, will conduct a survey using well-defined management positions as benchmarks. The participant population will be drawn from large and medium size companies that employ and compete for the types of positions included in the WMS. When required, out-of-state employers—primarily other states—may also be included. Pay practices such as pay structure changes, salary increase budgets, variable pay (e.g., recognition pay), etc. may also be surveyed.

Ad-hoc or special surveys may be required from time to time to help establish the pay for new and/or unique positions or those where significant recruitment/retention problems exist. Agencies are encouraged to identify their competitors to allow the DOP state compensation office to more rapidly focus in on their rates of pay.

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■ Salary Administration Management

With the increased flexibility of changing salaries of WMS employees comes the added and critically important responsibility of managing these changes to help assure they are needed and accountable. It is recommended that agencies, through their personnel offices, establish periodic reviews of actions taken and current practices to confirm their compliance with WMS rules and agency guidelines.

Some recommended areas of focus and examples would include:

Management of Average Salary Rate and Band Level

- Year to year overall WMS payroll
- By band, evaluated points, division
- Average band level; compare year to year overall agency and division

Overview and Analysis of Agency Overall and Individual Salary Adjustments

- Develop chart with gender and ethnic representation matrixed by salary adjustment type(s) and amount. Pay particular attention to promotions, progression increases and general salary adjustments.

Compensation Policy Review

- Policies or guidelines in place and well communicated
- Practices are consistent with policies
- At least an annual review

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■ Communications

Simple, direct and timely communications will greatly aid in employees' **understanding** of WMS rules, guidelines and policies. Simply receiving information, even if it is timely, doesn't necessarily aid in understanding what is viewed as detailed material.

Agencies should develop an ongoing approach to communicating WMS information. This will greatly aid in achieving improved understanding by WMS employees and increase the program's credibility. DOP is available to assist agencies with their communications needs.

Since most types of salary adjustments in the WMS require several levels of management approval, it is not appropriate to infer or guarantee (to the employee) that a salary adjustment will occur until **all** approvals are obtained.

Attachment 4-A: Management Position Description Form

**WASHINGTON MANAGEMENT SERVICE
MANAGEMENT POSITION DESCRIPTION**

CURRENT DATE/LAST REVIEWED: _____

CLASS TITLE: _____
(Information needed for the initial conversion only.)

WORKING TITLE: _____

POSITION NO.: _____ *AGENCY/DIVISION:* _____

INCUMBENT'S NAME: _____

POSITION OBJECTIVE:

Discuss in one or two sentences what the position is required to accomplish. Include an organization chart. (Chart should include all units managed by your supervisor with salary grade/band and position number.)

KNOWLEDGE AND SKILLS REQUIRED:

Briefly explain the position's required knowledges and skills. (Asterisk the essential skills and abilities required.)

NATURE AND SCOPE:

Briefly explain position's policy impact (application, development, implementation responsibility).

Briefly explain the major decision-making responsibilities brought to you for action. Also identify those actions that you take to your manager for a decision.

FINANCIAL DIMENSIONS:

—BUDGET

Briefly describe the type and annual amount of all monies that the position directly controls. Discuss other revenue sources managed by the position and what type of influence/impact it has over those sources.

A. Operating budget controlled:

B. Other financial influences/impact:

—POSITIONS

List total FTE's you manage and highest class/position managed.

PRINCIPAL RESPONSIBILITIES:

Briefly describe the significant responsibilities of this position (maximum of 10 statements) not including the management responsibility statement* that is provided.

* Plan, lead, organize, and control the work performed by the organization. Assure appropriate and optimum use of the organization's resources and enhance the effectiveness of employees through timely appraisal and professional development opportunities. Support effective communications throughout the organization. Maintain the highest standards of personal/professional and ethical conduct and support the State's goals for a diverse workforce.

Signature of Incumbent

Management Signature

Telephone No.: _____

Title: _____

EVALUATED POINTS/BAND LEVEL: _____

(To be filled out by Human Resource Unit)

Attachment 4-B: Sample Management Position Description

WASHINGTON MANAGEMENT SERVICE MANAGEMENT POSITION DESCRIPTION

CURRENT DATE/LAST REVIEWED: February 3, 1994

CLASS TITLE: Personnel Manager 3
(Information needed for the initial conversion only.)

WORKING TITLE: Personnel Manager

POSITION NO.: 140-1246 AGENCY/DIVISION: Taxes/Fin. &
Support Services

INCUMBENT'S NAME: D. James

POSITION OBJECTIVE:

Discuss in one or two sentences what the position is required to accomplish. Include an organization chart. (Chart should include all units managed by your supervisor with salary grade/band and position number.)

Administer the human resource program for the agency by providing a highly trained, skilled and motivated staff to conduct the technical and service delivery requirements of the organization. Manage the building facility and associated needs of the Personnel unit.

KNOWLEDGE AND SKILLS REQUIRED:

Briefly explain the position's required knowledges and skills. (Asterisk the essential skills and abilities required.)

The position requires a working knowledge of management principles*, communication techniques, budget management, cost benefit analysis, training needs assessment, personnel rules and regulations, affirmative action and diversity regulations, principles of personnel administration*, and skill in human resource management, staff supervision, motivating, mentoring, negotiating skill in union/management meetings, etc.

NATURE AND SCOPE:

Briefly explain position's policy impact (application, development, implementation responsibility).

I establish policy for the implementation of various WACs and rules established by the agency director, Department of Personnel or the Personnel Resources Board, OFM, and other state and federal organizations. I recommend agency policy to the executive team in the human resource area. I am

responsible for developing plans and for the implementation of new programs like the WMS, etc. I develop procedures to implement WACs and other H.R. regulations.

Briefly explain the major decision-making responsibilities brought to you for action. Also identify those actions that you take to your manager for a decision.

Major decision-making responsibilities brought to you:

- budgeting and expenditure approvals for the unit
- supervisory evaluation and training needs
- priority questions about utilization of staff and facilities/resources (priority setting)
- advice or direction on proposed classification studies
- provide direction for scope and frequency of recruitment efforts
- establish work priorities and time frames for the unit
- hiring of clerical and technical H.R. staff

Major actions taken to superior for approval:

- proposed unit budget request and shift in dollars
- recommendations for changes to H.R. rules and regulations
- cross divisional class/comp. studies (priority)
- hiring of supervisory H.R. staff
- shift in program dollars
- recommendations on reductions within the H.R. unit
- recommended training levels for programs or divisions

FINANCIAL DIMENSIONS:

—BUDGET

Briefly describe the type and annual amount of all monies that the position directly controls. Discuss other revenue sources managed by the position and what type of influence/impact it has over those sources.

A. Operating budget controlled:

Plans and manages the Department of Taxes human resource program serving the public and 900 agency employees. Develops and administers a biennial budget in excess of \$1 million. Serves as building manager for 5,000 sq. ft. employee services facility.

B. Other financial influences/impact:

Indirect influence over agency employees for training not counted in unit budget.

—POSITIONS

List total FTEs you manage and highest class/position managed.

Eleven (11) full-time FTEs (Personnel Officer 4 at range 54, highest subordinate). (See attached organizational chart.)

PRINCIPAL RESPONSIBILITIES:

Briefly describe the significant responsibilities of this position (maximum of 10 statements) not including the management responsibility statement* that is provided.

* Plan, lead, organize, and control the work performed by the organization. Assure appropriate and optimum use of the organization's resources and enhance the effectiveness of employees through timely appraisal and professional development opportunities. Support effective communications throughout the organization. Maintain the highest standards of personal/professional and ethical conduct and support the State's goals for a diverse workforce.

- a) Chief agency representative to the Department of Personnel, State Personnel Resources Board, Personnel Appeals Board, Office of Administrative Hearings, labor organizations, other governmental agencies, private industry, and the public for matters dealing with the establishment, retention, productivity, wellness, and termination of positions and employees within the department's workforce.
- b) Serves as chief negotiator during collective bargaining contract negotiations. Provides counsel to and represents the department management at hearings and meetings pertaining to grievances, disciplinary actions, civil rights violations/investigations, position classification and pay, unemployment compensation, and industrial insurance claims.
- c) Directs and reviews agency-wide position classification studies; reviews proposed class specifications and their revisions. Provides counsel to executive management during agency-wide or divisional reorganization efforts; gives affect to resulting position and personnel actions.
- d) Plans and directs the department's recruitment, testing, and placement of new and current employees. Establishes and maintains contact with college and university placement officials, faculty, student professional organizations, organizations representing ethnic minority and other protected groups.

Signature of Incumbent

Management Signature

Telephone No.: _____

Title: _____

EVALUATED POINTS/BAND LEVEL: _____

(To be filled out by Human Resource Unit)

responsible for developing plans and for the implementation of new programs like the WMS, etc. I develop procedures to implement WACs and other H.R. regulations.

Briefly explain the major decision-making responsibilities brought to you for action. Also identify those actions that you take to your manager for a decision.

Major decision-making responsibilities brought to you:

- budgeting and expenditure approvals for the unit
- supervisory evaluation and training needs
- priority questions about utilization of staff and facilities/resources (priority setting)
- advice or direction on proposed classification studies
- provide direction for scope and frequency of recruitment efforts
- establish work priorities and time frames for the unit
- hiring of clerical and technical H.R. staff

Major actions taken to superior for approval:

- proposed unit budget request and shift in dollars
- recommendations for changes to H.R. rules and regulations
- cross divisional class/comp. studies (priority)
- hiring of supervisory H.R. staff
- shift in program dollars
- recommendations on reductions within the H.R. unit
- recommended training levels for programs or divisions

FINANCIAL DIMENSIONS:

—BUDGET

Briefly describe the type and annual amount of all monies that the position directly controls. Discuss other revenue sources managed by the position and what type of influence/impact it has over those sources.

A. Operating budget controlled:

Plans and manages the Department of Taxes human resource program serving the public and 900 agency employees. Develops and administers a biennial budget in excess of \$1 million. Serves as building manager for 5,000 sq. ft. employee services facility.

B. Other financial influences/impact:

Indirect influence over agency employees for training not counted in unit budget.

—POSITIONS

List total FTEs you manage and highest class/position managed.

Eleven (11) full-time FTEs (Personnel Officer 4 at range 54, highest subordinate). (See attached organizational chart.)

PRINCIPAL RESPONSIBILITIES:

Briefly describe the significant responsibilities of this position (maximum of 10 statements) not including the management responsibility statement* that is provided.

* Plan, lead, organize, and control the work performed by the organization. Assure appropriate and optimum use of the organization's resources and enhance the effectiveness of employees through timely appraisal and professional development opportunities. Support effective communications throughout the organization. Maintain the highest standards of personal/professional and ethical conduct and support the State's goals for a diverse workforce.

- a) Chief agency representative to the Department of Personnel, State Personnel Resources Board, Personnel Appeals Board, Office of Administrative Hearings, labor organizations, other governmental agencies, private industry, and the public for matters dealing with the establishment, retention, productivity, wellness, and termination of positions and employees within the department's workforce.
- b) Serves as chief negotiator during collective bargaining contract negotiations. Provides counsel to and represents the department management at hearings and meetings pertaining to grievances, disciplinary actions, civil rights violations/investigations, position classification and pay, unemployment compensation, and industrial insurance claims.
- c) Directs and reviews agency-wide position classification studies; reviews proposed class specifications and their revisions. Provides counsel to executive management during agency-wide or divisional reorganization efforts; gives affect to resulting position and personnel actions.
- d) Plans and directs the department's recruitment, testing, and placement of new and current employees. Establishes and maintains contact with college and university placement officials, faculty, student professional organizations, organizations representing ethnic minority and other protected groups.

Signature of Incumbent

Management Signature

Telephone No.: _____

Title: _____

EVALUATED POINTS/BAND LEVEL: _____

(To be filled out by Human Resource Unit)

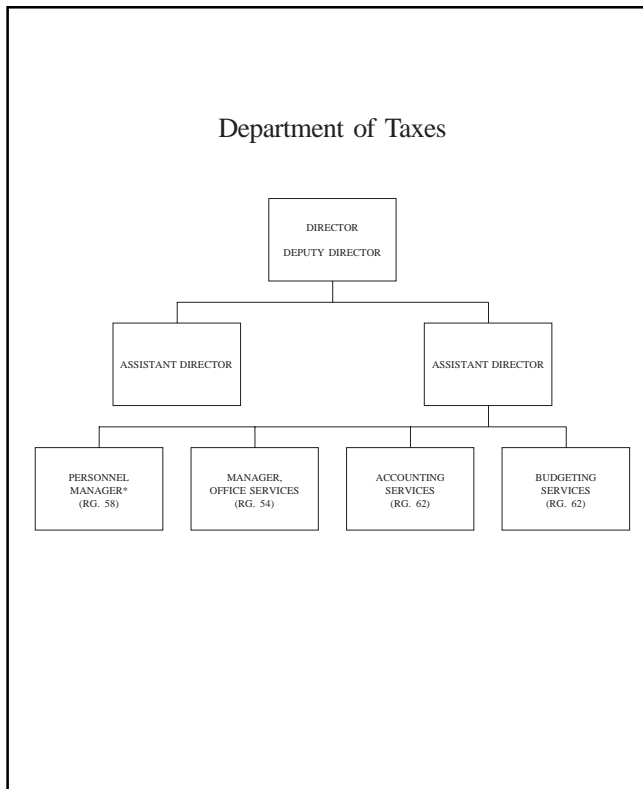
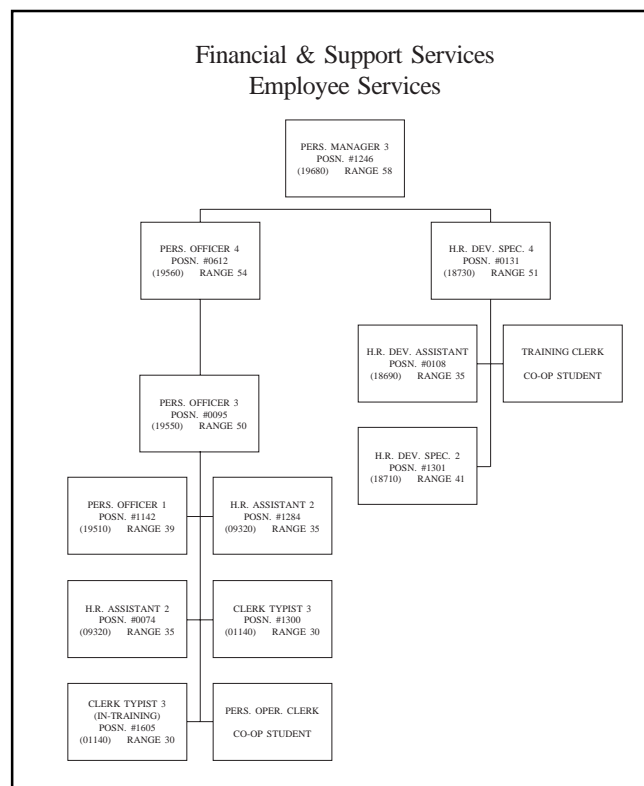


Figure 4.4
Organization Charts for
Sample Position Description



Attachment 4-C: Examples of Major Areas on Position Description

Examples of Major Areas on Position Description

Position Objective

- a. Administer the human resource program for the agency of 1000 employees. Provide highly trained, skilled, and motivated staff to line managers to conduct technical financial and service delivery for their client businesses and the public.
- b. Manage staff of professional accountants for the department to ensure the reimbursement, revenues, and expenditures are properly accounted (both federal and state) and that the agency's financial records are accurate and financial and management reports are prepared timely.

Knowledge and Skills Required

- a. Knowledge of: principles of management, staff development and training, civil service system and related WAC, state and federal laws on affirmative action, equal opportunity, family leave, ADA, FLSA, and principles of personnel administration.

Skills to: communicate effectively; coach, mentor, and train staff and department workforce; conduct labor-management negotiations; public speaking; long-range planning; and effective decision making.

Nature and Scope: (This category is intended to identify the type and level of policy activity in which you are engaged)

- a. Recommend policies to the executive team in the areas of staff training, tuition reimbursement, recruitment and diversity, etc. Implement state and federal statutes; Department of Personnel and the Personnel Resources Board policies on position classification and compensation, affirmative action, labor relations, and grievance procedures. Develop division policy for work load coverage, vacation, recruitment, and promotions.

Financial Dimensions: (Describe the annual monies in your direct control; secondly, any indirect influences or impact).

- a. Manage annual operating budget of \$600,000. This is for staff salaries and benefits, goods and services, etc. Besides my 12 FTE's, I influence the expenditure of \$500,000 staff training budget with the respective assistant directors.

Principal Responsibilities: (List a few key or primary task statements)

Attachment 4-D: Managerial Job Value Assessment Chart

JOB VALUE ASSESSMENT CHART		(2) DECISION-MAKING ENVIRONMENT AND POLICY IMPACT																			
		1. Judgements and decisions are guided by familiar and reliable policies and established guidelines and management imposed limits. Thinking within defined rules/regulations and procedures. Develops and prioritizes tasks within specific work unit. Impact generally limited to interpretation/application of clearly defined regulations.			2. Judgements and decisions are primarily tactical, guided by general policies and guidelines having significant diversity/complexity relative to outcomes and considerations. Thinking within broadly outlined and complex regulations for application of service delivery or program operations.			3. Judgements and decisions require consideration of both tactical and strategic outcomes. Interpret and implement broad departmental policy for developing program guidelines and procedures.			4. Thinking environment requires strategic judgments/decisions where there are generally few prescribed or established approaches (balancing competing demands/priorities for resources.) Develops policy for major programs or organizational groups.			5. Strategic and creative thinking having longer-term impact. Develops policy having broad organizational wide application for design and delivery of programs and services affecting a substantial segment of citizens or government.			6. Strategic and visionary thinking having long-term statewide application and impact. Develops and implements policy critical to the central business purpose of the State.				
		SCOPE			SCOPE			SCOPE			SCOPE			SCOPE			SCOPE				
(1) NATURE OF MANAGEMENT		W	X	Y	Z	W	X	Y	Z	W	X	Y	Z	W	X	Y	Z	W	X	Y	Z
A. Fundamental application of management principles. A unit or program, having focused scope, with individual contributors and/or first-line supervisors. Leading/controlling. Emphasis on tactical thinking and people issues. OR, practitioner of recognized discipline having management accountability.		422	442			432	452	504		444	464	516									
B. Full utilization of management principles. Tactical planning and responses, some strategic thinking and action. A unit, multiple programs or functional activities. Typically directs supervisors and/or professional practitioners. Focused on goals/objectives. OR, advanced practitioner requiring a high level of knowledge in a discipline and overseeing a professional staff.		494	512			546	570	598		562	586	614		580	604	692					
C. Application of advanced management principles and skills. Planning and management primarily strategic. Functional area or diverse organizational unit. Typically directs/integrates work of managers and supervisors. Management of or mastery of a recognized discipline involving direction of complex technical/advanced skilled professionals.						630	704	796		748	768	848		776	800	888		808	828	948	
D. Sophisticated application of advanced management principles/skills. Strategic focus; highly experienced. A large unit in large agency, major policy impacts at agency and/or statewide level. Management of managers and senior policy professionals. In smaller organizations fewer staff, but the most critical policy impact.																					
E. Expert applications of advanced management principles; directions are diverse and complex organizations with critical statewide impact on citizens and government. Highest level of agency leadership positions.																					
		(3) SCOPE OF MANAGEMENT ACCOUNTABILITY AND CONTROL																			
		W: Control or influence of limited resources X: Control of substantial programs or resources; or influence on major policies or services. Y: Control of major resources; or critical influence on a large organization or public policy. Z: Control of complex entity.																			
		1750																			

Department of ABC Washington Management Service Director's Award

Program Objective

The Director's Award Program has been established for use throughout the Department of ABC and is designed to provide meaningful single compensation awards to Washington Management Service employees in recognition of truly outstanding achievements. It is the overall objective of this program to recognize extraordinary employee effort(s) in an appropriate, consistent, and expeditious manner. Employee recognition is an important motivational tool and a key element in sustaining a process of continuous service improvement to our clients.

Program Description

The Director's Award Program provides single lump-sum awards (not added to base salary) to individuals or teams in recognition of truly extraordinary performance/achievement that goes well beyond what is expected or required. Many controllable and uncontrollable circumstances may affect the program and our agency's ability to administer it consistently. Therefore, no policy or guidelines statement should be interpreted as implying that recognition awards are an entitlement even when recognition has occurred. Program guidelines provide the content and policy and procedure for its implementation and administration.

General Guidelines

1.0 Eligibility Criteria

- 1.1 All WMS employees may be considered for the Director's Award.
- 1.2 Individual and team awards may be granted. (Applicable taxes will be withheld.)
- 1.3 Generally, no more than one award (two if one is individual-based and one is team-based) may be granted in any 12-month period.
- 1.4 Employees must have permanent status and be on the payroll effective the date of the receipt of the award.

2.0 Award Criteria

- Exceptionally high level of performance or achievement over the course of a year or a highly intense project period.
- Performance which results in significant enhancement of client services or agency products.
- Contributions which result in substantial cost savings to the agency or increased revenues for the state.
- Exceptional effort and/or demonstrated efficiencies that lead to significant productivity improvements and/or measurable increases in the organization's output.
- Development of a technical advancement or operational breakthrough which results in greater efficiency, increased productivity, staff reduction, and/or cost savings.

3.0 Award Amount(s)

3.1 Director's Awards shall be single lump-sum amounts (minus appropriate taxes) ranging from \$250-\$500. The actual award amount, in \$50 increments, shall be based on the following factors:

- Nature and scope of achievement/performance
- Amount of quantifiable savings, cost avoidances, increased revenue, if applicable
- Number of awards agency is giving, e.g., individual or team
- Consistency with other awards given
- Agency budget circumstances

3.2 Every attempt should be made to apply the award criteria and amount as consistently as possible within the above factors. Deviations must be well documented and approved by the agency director or designee.

3.3 The Director's Award shall not be substituted for or affect an employee's eligibility for any other form of compensation, e.g., general increase, recruitment/retention.

3.4 A certificate shall accompany each award.

4.0 Documentation

4.1 Director's Awards (individual or team) shall be documented using Form #XX for individual awards and #XY for team awards.

4.2 Documentation must be approved prior to award recognition.

4.3 A year-end report of all Director's Award activity shall be compiled by the personnel office and distributed to management for their information. The report shall include, but not be limited to, participant's name, criteria type, award amount, when given, etc.

5.0 Approval/Presentation Process

5.1 Director's Awards require the approval of the employee's management up to and including the agency director. Designees may be authorized as appropriate.

5.2 Award presentations, as appropriate, will be made by the agency director and employee's manager at the employee's workplace.

5.3 Awards are presented in a separate check to the employee.

6.0 Funding Consideration

6.1 The Director's Award Program is criteria, not budget, driven but all awards must come from the recognizing division's budget for salaries or the director's fund of money set aside to provide for awards when a division is unable to do so. Such requests must be in writing regarding rationale and accompany the requisition award documentation.

6.2 Unspent funds do not carry over into the next biennium.

Attachment 4-F: Example of Recognition Award Nomination & Certificate

Department of XYZ
Director's Award Nomination
(Individual Award)

Employee Name: John Doe

Social Security #: 999-99-9999

Division: Emergency Response

Job Title: Manager of Emergency Preparedness

Suggested Award Amount: \$500.00

Date: 1/22/94

Justification:

Completely revamped the state's emergency preparedness and response program, making significant improvements in:

- The system's telecommunications and computing requirements.
- Strengthening integration with city and county systems throughout the state.
- Acquisition of federal grant monies (\$150,000) to upgrade software and hardware, improving reliability and response.
- Reorganization of state responsibility: streamlined system communications, reduced required head count by 15%, and improved off-duty scheduling requirements.

Approvals:

Immediate Manager

Date

Division Manager

Date

Human Resources Manager

Date

Agency Director

Date

	Director's Recognition Award
	<i>Awarded to</i> <i>John Doe</i>
	In recognition of your extraordinary performance and achievement associated with accomplishment of key agency business mission goals.
	Thank you for your commitment to excellence and continuous improvement.
	<hr/> <i>Member of Management</i>
	<hr/> <i>Member of Management</i>
	<hr/> <i>Agency Director/Head</i>
	<hr/> <i>Date</i>

Figure 4.5 Sample Recognition Award Certificate

**Director's Award Nomination
(Team Award)**

**EMPLOYEE NAMES/SSN'S:
(PLEASE LIST DIVISION AND TITLE)**

AMOUNT: \$2,400 (6 award recommendations)

DATE:

Project/Task Description:

The scope of this project was to develop a comprehensive environmental plan for the siting, regulation and audit of class I (fruit and meat) irradiation facilities in the state of Washington. This project involved the efforts of a six-member senior project management team from our agency. The agency's project lead formed a close working alliance with the U.S. Department of Energy, the Nuclear Regulatory Commission, and several other involved federal and state agencies.

The primary tasks of this team included:

- The development of a comprehensive and well integrated environmental plan for irradiation facilities to be privately owned/operated but regulated by the state.
- Assure legislative and congressional support for plan.
- Development of general site selection criteria (regional/community input).
- Development/integration of federal/state/county licensing requirements and process.
- Development of a statewide awareness plan.
- Development of an irradiated products plan (Irradiation - Customer Delivery).

Performance Targets:

- Comprehensive, well integrated environmental plan that balances the interests of all legitimate parties by (date).
- Secure legislative and regional congressional support through development and passage of necessary state legislation to enact regulations.

- Work effectively with all federal/state/county/city entities and their constituencies in plan development and general site selection criteria.
- Assure effective communications with state citizens and media on plan development and siting criteria.

Award Justification: Be Specific

- The project team successfully completed a difficult and highly technical draft environmental plan two months ahead of schedule enabling enough time (four months compared to two months) for substantive public comment. Comments were integrated into the final plan and were a factor in its successful passage by the Legislature. State legislative support was a key factor in regional legislative and congressional support required for the actual construction/operation of the facilities.
- Communications with state citizens and media were more comprehensive than planned yet coverage was exceptional due to effective presentation development, extraordinary commitment of project team members, and overall project organization.

Approvals:

_____ Immediate Manager/Supervisor	_____ Date
_____ Assistant Director	_____ Date
_____ Human Resources Manager	_____ Date
_____ Director	_____ Date